## AN ORDINANCE

99444

AUTHORIZING AND CONSENTING TO THE CANCELLATION OF THE EXISTING CONCESSION AGREEMENT WITH FARIAS, INC. D/B/A TEXAS TAX BACK, AWARDED UNDER ORDINANCE NO. 96791, PASSED AND APPROVED BY CITY COUNCIL ON NOVEMBER 21, 2002.

\* \* \* \* \* \*

WHEREAS, Ordinance No. 96791, passed and approved by City Council on November 21, 2002, awarded a concession contract to Farias, Inc., d/b/a Texas Tax Back, (the "Concessionaire") for concession Space 192, Terminal One, at the San Antonio International Airport; and

WHEREAS, Farias, Inc., d/b/a Texas Tax Back proposed to offer a sales tax reimbursement service to Mexican Nationals, who were visiting San Antonio and purchasing goods for export to Mexico and pursuant to the contract was required to have its reimbursement agent be a licensed Customs Broker who would witness the physical export of the products; and

WHEREAS, Farias, Inc. was in business to provide a service that is now obsolete as a result of the modifications of Texas House Bill Number 109, Section 151.1575, Subsection 2, of the Tax Code and as a result the Concessionaire has requested a cancellation of the contract for this space; and

WHEREAS, foreign nationals are now provided several options to determine the export of products purchased in Texas to destinations outside the boundaries of the United States; and

WHEREAS, the addition of multiple options to determine a valid export relieves the Customs Broker from physically witnessing the export of merchandise, prior to the rebate of sales taxes and eliminates the need for a Customs Broker's airport presence and space for the operation; and

WHEREAS, the cancellation of the Farias, Inc. Concession Agreement for Space 192, Terminal One eliminates the Minimum Annual Guaranteed rent of \$18,000.00 in contractual revenue; and

WHEREAS, it is now necessary to consent to the cancellation of the Agreement; NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

**SECTION 1.** The City Manager or her designee is authorized to execute such documents as are necessary to cancel the existing Concession Agreement for Space 192 with Farias, Inc., which are attached hereto and incorporated herein by reference as Attachment 1.

**SECTION 2.** This Ordinance shall be effective on and after the tenth (10<sup>th</sup>) day after passage hereof.

PASSED AND APPROVED THIS 24th DAY OF June, 2004.

A Y O R
EDWARD D. GARZA

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney